

Contribution to Local Communities

Basic Approach

The Kurita Group strives not just to contribute to society through its business activities but also to actively return to society the insight and expertise that Group companies have gained through business in order to establish a favorable reputation within society.

Contributing to Development of Science and Technology Relating to Water and the Environment

Kurita Water Industries established the Kurita Water and Environment Foundation in 1997 (converted into a public interest incorporated foundation in 2009) with the aim of contributing to the promotion of science and technology relating to water and the environment. The Company and domestic Group companies make contributions to the Foundation each year to provide operating funds, and the Foundation uses these contributions as its operating expenses for research and studies relating to water and the environment as well as international exchange support.

The Foundation's main activities include publicly soliciting research applications each year and then providing grants to researchers in Japan and other countries in Asia. In the fiscal year ended March 31, 2018, grants were given to 123 projects,

which were selected through examination. Furthermore, as a commemorative project for the Foundation's 20th anniversary, the Foundation started a research project, "Sustainable Water Use in Development of Southeast Asian Countries," and started a grant for master's course students in water- or environment-related courses at the Asian Institute of Technology. The Foundation has provided grants for a total of 1,406 projects, amounting to roughly ¥729 million, since its establishment through to the end of March 2018.

Regional and Community Activities

The Kurita Group strives to be accepted as a member of the community and to develop along with the local communities in regions where the Group has business sites. Regional and community activities consist of (i) activities relating to local cleanup and preservation of the natural environment, (ii) activities relating to the promotion of health and welfare within the community, and (iii) activities relating to disaster and crime prevention within the community.

In the fiscal year ended March 31, 2018, office workers took part as volunteers in clean-up activities in communities where the offices are located.



Subsidy presentation ceremony in Vietnam



Kurita Global Technology Center employees participate in volunteer clean-up activities

Main Regional Community Activities

Type	Company	Office	Activity
Clean-up activities in areas around offices	Kurita Water Industries Ltd.	Head Office	Clean-up around the head office
		Kurita Global Technology Center	Nogi volunteer clean-up
	Kuritaz Co., Ltd.	Tokai Branch	Beach clean-up
	Kuritaz Hokuriku Ltd.	Head Office	
	Kurita Meiki Ltd.	Head Office	Clean-up campaign
	Nippon Fine Co., Ltd.		"Symbiotic Forest" tree planting and weeding
	Kurita Water Industries (Suzhou) Ltd.		Park clean-up
Hansu Technical Service Ltd.		Namhansanseong clean-up activities	
Clean-up activities in areas around offices in collaboration with customers	Kurita Water Industries Ltd.	Sakai Sub-branch	Green Front Sakai
	Kurita Water Industries Ltd.	Ishikawa Sub-branch	2017 Hokubu Industrial Park spring clean-up activities

Dialogue with Shareholders and Investors

What's Important to Us

The Kurita Group seeks to use dialogue with its shareholders and investors to increase corporate value. To this end, we strive to provide high-quality information to the capital markets and to promptly report the evaluation and demands of the capital markets back to management. In providing information, we take care to be fair and transparent. The materials and QA summaries that we use in various presentations are posted on the Company's investor relations (IR) website as far as possible in an effort to eliminate information gaps between investors. Furthermore, the opinions and concerns expressed by our shareholders and investors during dialogues with them are reported back to the Board of Directors appropriately, and we quickly write up the minutes of individual meetings to make sure they are always available for management to view.

Looking ahead, we will examine and review our current disclosure policy and establish an internal disclosure manual in an effort to enhance the fairness of our disclosure practices.

System for Information Disclosure and Dialogue

Under the disclosure system for important information about the Kurita Group, the information is ascertained, collected and centrally controlled by the general manager of the Corporate Planning Division, who makes decisions about timely disclosures. The general manager of the Corporate Planning Division is also responsible for dialogue with shareholders and investors. As an organization to assist the general manager, specialized Investor and Shareholder Relations Section with specialist staff have been established within the Corporate Planning Division.

IR Results

The Kurita Group secures opportunities for dialogue with institutional investors in and outside of Japan through various briefings, conferences, and individual meetings. In the fiscal year ended March 31, 2018, the Group held financial results briefings at the time of its second-quarter and full-year financial results, and teleconferences at the time of its first- and third-quarter financial results. The president was the main speaker at the financial results briefings, while the general manager overseeing the CSR and Investor Relations Department performed this role for the teleconferences.

In terms of regular activities, outside of quiet periods the person responsible for IR and shareholder relations (SR), and the person responsible for CSR conduct dialogues with sell- and buy-side analysts and fund managers in Japan and overseas on a wide range of topics including performance trends as well as ESG in general. These dialogues mainly take the form

of response to requests for interviews, investor visits, and teleconferences. In the fiscal year ended March 31, 2018, the Company held over 200 dialogues.

Aside from these regular IR activities, the Company's management provide opportunities for face-to-face communication with overseas shareholders and investors through roadshows. The president and the general manager of the Corporate Planning Division visit cities in Europe, North America, and Asia to exchange opinions with major shareholders and reach out to potential shareholders. For shareholders who cannot be reached by these activities, we also participate in conferences held by securities companies in Japan.

For individual shareholders and investors, we created dialogue opportunities by holding a shareholder briefing after the General Meeting of Shareholders as well as through company briefings at regional branches of securities companies and participation in seminars for individual investors.



Individual investor briefing session held in February 2018

Communication with Shareholders

The Company is working to increase opportunities to communicate with those who are in charge of exercising voting rights at institutional investors, aiming to use shareholders' opinions to improve management. The general manager of the CSR and Investor Relations Department and the staff of the Investor and Shareholder Relations Section visit major domestic shareholders and the offices of major overseas shareholders in Japan to give briefings on the direction of the Group and status of improvement of corporate governance. In return, we hear from our major shareholders about their policies on the exercise of voting rights and their opinions and requests regarding the Group's governance. In addition to these, we are increasing other opportunities for discussion with domestic and overseas institutional investors about the exercise of voting rights and reporting their opinions and requests back to management.